

February 4, 1974

we could do it beforehand because the problem didn't come up. The Pioneer Insurance Company, as most of you know, has had severe financial problems. The Insurance Department is wholly unequipped and inadequate, has no authority to deal with these matters of insurance companies which go on the rocks or threaten to go on the rocks that can't protect the policy holders. It can do nothing about rehabilitation, and can do virtually nothing. We need this,,, the department needs this authority, not only in this instance, but in similar instances which may come up in the future where insurance companies, struggling companies, probably under finance, sometimes badly or poorly managed, get in financial difficulties. There is only one other bill that was introduced to correct an error last... that was made last year and that is that last year we passed a bill requesting licensing of appraisers and we included in that teachers in col... that we didn't eliminate. Except teachers in college who teach insurance, I mean, yes, insurance law and real estate law. These should be eliminated. I move the introduction of the bill.

PRESIDENT: Senator Carpenter.

SENATOR CARPENTER: Well, Mr. President, it's a matter of policy. When we talk about the White House in Washington, we talk about everybody but the President. I don't want the same thing to happen here where we're talking about the Banking Department. We're not talking about the Governor. And I move that no bill by the introduction of any co-departments be sent to this body by the department, but by the signature of the Governor. Because I want him to be fully advised what these departments are doing and when they send a bill, I think he ought to say this: I approve of. Now, I have no conflicts with the Governor, but I just think this is the way to handle it. Now the other day we had the Banking Commissioner come into the Banking Committee and he gave by inference. If this administration was in favor of raising the usuary rates. Now, I think we ought to be more specific.

(End Belt #5)

(Start Belt #6)

and when it is introduced by a department, the department should go through channels and introduce no bill except sent to us by the chief executive, and I so move.

PRESIDENT: Well Senator Carpenter, the Chair is going to move that your motion is out of order at this time and I understand the discussion but the Chair couldn't accept that when we have under vote at this time simply the issue of suspending the rules for the introduction of the four bills.

SENATOR CARPENTER: Well I only use it to bring before this body, when you get through I will make the motion then.

PRESIDENT: Excellent.

SENATOR CARPENTER: I want the identification and I think that he ought to be advised what these departments are doing and ought to prove in every case every bill they send to us.

PRESIDENT: Now Senator Fred Carstens, back to you. Is there any further discussion on Senator Carstens motion to suspend the rules for the introduction of the four bills? Alright, all those in favor of suspending the rules and introducing the four bills will vote aye,